



Finance Committee

November 12, 2021

Regular Meeting

2:00 p.m.

Meeting Minutes

Members Present: Claudio Gualtieri on behalf of Melissa McCaw, Office of Policy & Management (OPM) Secretary; Thomas McNeill; Michael Gilbert on behalf of Commissioner Deidre Gifford, Department of Social Services (DSS); Manisha Juthani, Commissioner, Department of Public Health

Access Health CT (AHCT) Staff: James Michel; Daryl Jones; Susan Rich-Bye; Sinisa Crnkovic; Daniel Maloney; Marcin Olechowski

A. Call to Order and Introductions

The Regular Meeting of the Connecticut Health Insurance Exchange Finance Committee was called to order at 2:00 p.m. Roll call for attendance was taken.

B. Vote-in Presiding Officer

Susan Rich-Bye, Director of Legal and Governmental Affairs, presented the need to vote-in the Presiding Officer in absence of a Chair. Motion was requested to appoint Claudio Gualtieri as the Presiding Officer in absence of a chair. Motion was made by Thomas McNeill and seconded by Michael Gilbert. Roll call vote was ordered. **Motion passed unanimously.**

C. Vote: Review and Approval of Minutes

Presiding Officer Claudio Gualtieri requested a motion to approve the April 8, 2021 Regular Meeting Minutes. Motion was made by Michael Gilbert and seconded by Manisha Juthani. Roll call vote was ordered. **Motion passed.** Claudio Gualtieri abstained.

D. Election of a Committee Chair

Susan Rich-Bye, Director of Legal and Governmental Affairs presented the need to appoint a Committee Chair. Presiding Officer requested a motion to appoint Ex Officio Secretary of the Office of Policy and Management, through designee Claudio Gualtieri, as a Chair of the Finance

Committee. Motion was made by Thomas McNeill and seconded by Michael Gilbert. Roll call vote was ordered. **Motion passed unanimously.**

E., F. and G: FY 2021 Year End Budget Report; FY 2022 Q1 Budget Report and FY 2022 Capital Improvement Plan

Daryl Jones, Director of Finance, presented the Fiscal Year (FY) 2021 Year End Budget Report. Mr. Jones noted that it has been a very busy year at the Finance Department in terms of finance and various project initiatives.

Mr. Jones stated that in order to implement the required changes for the American Rescue Plan Act (ARPA), additional funding was approved for marketing, operations and technology for the remaining part of FY 2021 and 1st quarter of FY 2022. Mr. Jones noted that \$2.5 million was approved to be spent from the reserves, and to date, \$2.1 million was utilized.

Mr. Jones added that \$307,000 of the technology costs are anticipated to be reimbursed through the Centers for Medicare and Medicaid Services (CMS) Grant awarded to AHCT in September of 2021. Mr. Jones describes the ARPA initiatives supported by AHCT reserve funds, which include marketing and outreach, operations as well as technology investments. Mr. Jones provided information on the AHCT budget along with the Department of Social Services (DSS) shared costs and pointed out that the actuals for the total budget were \$51,912,363, of which \$19,352,036 was the DSS shared costs. Mr. Jones outlined the details and added that variances were due to the timing of filling vacancies and not hiring additional staff due to pandemic impact.

Mr. Jones continued with the information on the update on projects funded from the reserves along with the summary of the status of those initiatives. Mr. Jones also outlined the financing structures which included the DSS allocations with the AHCT contributions.

Mr. Jones discussed the FY 2021 Department of Public Health (DPH) Vaccination Initiative Projects, and the reserve funds that were utilized. Mr. Jones emphasized that AHCT has been reimbursed for 92 percent of the \$4.9 million that was spent from reserves at this point. He added that AHCT was very happy to work with DPH on very important vaccine initiative projects that help the residents of Connecticut in these challenging times.

Chair Claudio Gualtieri commented about the cooperation between AHCT and DPH. Mr. Jones noted that as a quasi-public agency, AHCT was able to act quickly and have the Board approve the use of funds for various initiatives coordinated with DPH. James Michel, Chief Executive Officer added that timing is also important since AHCT has a vendor with employees working directly within the affected communities.

Mr. Jones told the Board that three carry-forward projects were initiated in FY 2021 and will continue into FY 2022. Mr. Jones added that the \$1.05 million carry-forward to FY 2022 remains on budget and all the projects are expected to be completed by end of FY 2022.

Mr. Jones stated that in addition to supporting the Mission and Vision of the Exchange, the FY 2022 Budget concentrates on three strategic initiatives: IT investment, cybersecurity, and health disparities.

Mr. Jones reviewed Q1 for the FY 2022 Operating Budget, which is under budget by the amount of \$1,836,494 and the proposed FY 2022 Q1 Adjusted Budget is increased by \$1,176,543 due to timing.

Mr. Jones provided information on the CMS grant funding in the amount of \$1.1 million. He stated that AHCT was awarded a grant in September of 2021 to fund certain modernization initiatives, and AHCT has been approved to fund six projects with this grant. Mr. Jones noted that these projects include application system enhancements, IT security and compliance audits as well as IT security incident and event monitoring software. Mr. Jones added that some of the grant funded work was completed in FY2021, and \$307,393 will go back to the reserves for the cost of ARPA initiatives. Mr. Jones stated \$533,333 of grant funding will be used in FY2022, while the remaining grant funds will be utilized in FY2023.

Mr. Jones stated that in order to implement the required changes for the Covered Connecticut Program, \$643,000 in additional funding is needed for marketing and outreach as well as technology updates. Mr. Jones provided the details of the FY 2022 Adjusted Budget. He stated that the FY2022 Adjusted Budget totals \$54,295,784, of which \$21,174,273 is for the costs shared with DSS. Mr. Jones stated that the reserve projection at the end of FY 2022 stands at \$20,108,559, which equals 7.3 months of operating budget funding.

Chair Claudio Gualtieri inquired whether the CMS grant was a competitive one and how AHCT can position itself for possible future grants. Mr. Jones stated that it was a non-competitive grant, however the Enterprise Project Management Office (EPMO) coordinated the work with various departments for the application process. Ms. Rich-Bye added that the grant funding was available to state exchanges as part of ARPA.

Mr. Gualtieri added that as the funds are allocated toward certain purposes, such as marketing and outreach for the Covered Connecticut Program, AHCT should place some metrics on those investments in order to get the best return. Mr. Michel emphasized that AHCT has contacted everyone in its system who is currently eligible for the Covered Connecticut Program. Mr. Michel added that there are concentrations of uninsured residents based on the Census data, and they are the hardest to reach individuals. Mr. Michel added that it is part of the outreach campaign that involves local community leaders to assist in that effort.

In response to an earlier inquiry by Michael Gilbert, Ms. Rich-Bye stated that EAHSS is an abbreviation for Enhanced Account Home and Services Solutions and added that it is the core functionality to help customers access communications, report changes, close any open verifications they may have, and navigate through the account functions, and these screens that are used for that account for 25% of the web traffic. Ms. Rich-Bye added that this will make it a lot easier for consumers to report any changes on their applications and enrollment. Mr. Michel

emphasized that it is designed to serve all of the customers, not only the Qualified Health Plans (QHP) but also Medicaid recipients as well, which amounts to close to 1 million customers.

Chair Claudio Gualtieri requested a motion to approve the FY 2022 Q1 Budget Report as presented.

Motion was made by Michael Gilbert and seconded Thomas McNeill. Roll call vote was ordered. **Motion passed unanimously.**

Chair Claudio Gualtieri requested a motion to approve an additional expense of \$643,209 for Covered Connecticut Program costs to the FY 2022 Operating Budget. Motion was made by Thomas McNeill and seconded by Michael Gilbert. Roll call vote was ordered. **Motion passed unanimously.**

Chair Claudio Gualtieri requested a motion to approve a transfer of \$643,209 from reserves to fund the Covered Connecticut Program costs. Motion was made by Thomas McNeill and seconded by Manisha Juthani. **Motion passed unanimously.**

Chair Claudio Gualtieri requested a motion to approve an additional expense of \$533,334 for IT Security Projects and Application System Enhancement costs to the FY 2022 Operating Budget. Motion was made by Michael Gilbert and seconded by Manisha Juthani. Roll call vote was ordered. Motion passed unanimously.

H. Adjournment

Chair Claudio Gualtieri requested a motion to adjourn. Motion was made by Manisha Juthani and seconded by Michael Gilbert. Roll call vote was ordered. **Motion passed unanimously.**